## SUPERIOR COURT OF ARIZONA MARICOPA COUNTY

CV 2010-054914 05/26/2011

HONORABLE LINDA H. MILES

CLERK OF THE COURT
L. Carlson
Deputy

GEORGE L BRADBURY IV, et al.

LAWRENCE F SCARINGELLI

v.

CRUNCHKINS INC

RICHARD L KLAUER

## **RULING**

Following the evidentiary hearing held on May 23, 2011, the Court took under advisement the jurisdictional issue raised in Defendant's Motion to Dismiss, specifically whether this Court has personal jurisdiction over Defendant, a California corporation. The parties agree that the question is one of specific jurisdiction, as opposed to general jurisdiction, over the Defendant.

The Court has considered the testimony and evidence presented and the arguments of counsel, and finds and concludes as follows:

It is well established that the courts of this state may exercise personal jurisdiction to the maximum extent permitted by the United States Constitution. Rule 4.2(a), Ariz.R.Civ.P.; *Planning Group of Scottsdale, LLC v. Lake Mathews Mineral Properties, Ltd.*, 226 Ariz. 262, 246 P.3d 343, 346 (2011). The Due Process Clause of the Fourteenth Amendment requires that a nonresident defendant have "sufficient contacts" with the state "such that the maintenance of the suit does not offend 'traditional notions of fair play and substantial justice." *International Shoe Co. v. Washington*, 326 U.S. 310, 316 (1945), quoting *Milliken v. Meyer*, 311 U.S. 457, 463 (1940). As recognized by the Arizona Supreme Court in *Planning Group*, under the "minimum

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contacts" test, "the defendant need not ever have been physically present in the forum state. . . . Rather, the question is whether the defendant's contacts with the forum, physical or otherwise, 'make it reasonable, in the context of our federal system of government to require the [defendant] to defend the particular suit which is brought there." 246 P.3d at 347, quoting *International Shoe*, 326 U.S. at 317.

Under the Due Process Clause, a state may exercise general jurisdiction or specific jurisdiction over a nonresident. As previously noted, general jurisdiction is not at issue in this case. Rather, the issue is whether this Court has specific jurisdiction over the Defendant.

The Arizona Supreme Court addressed specific jurisdiction at length in its recent decision in *Planning Group*. In that case, the Court succinctly summarized U.S. Supreme Court case law on specific jurisdiction as follows:

In our view, the Supreme Court cases embody a holistic approach, which in the end poses a single (although sometimes not easily answered) question: Considering all of the contacts between the defendants and the forum state, did [the] defendants engage in purposeful conduct for which they could reasonably expect to be haled into that state's courts with respect to that contact? If such minimum contacts exist, the defendant can fairly be expected to respond to all claims arising out of those contacts, whatever the plaintiff's theory of recovery.

246 P.3d at 349. Recognizing that minimum contacts with the state is not the only consideration, our Supreme Court further stated:

In Asahi [480 U.S. 102], the Supreme Court stressed that minimum contacts with the forum state do not end the personal jurisdiction constitutional analysis. Although a finding of such contacts will most often mean that the "interests of the plaintiff and the forum in the exercise of jurisdiction will justify even the serious burdens placed on the alien defendant," 480 U.S. at 114, 107 S.Ct. 1026, the Court emphasized that the ultimate "determination of the reasonableness of the exercise of jurisdiction in each case will depend on an evaluation of several factors," *Id.* at 113, 107 S.Ct. 1026. These include "the burden on the defendant, the interests of the forum State, and the plaintiff's interest in obtaining relief." *Id.* A court "must also weigh in its determination 'the interstate judicial system's interest in obtaining the most efficient resolution of controversies; and the shared interest of the several States in furthering fundamental substantive social policies." *Id.* (quoting *World-Wide Volkswagen*, 444 U.S. at 292, 100 S.Ct. 559).

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246 P.3d at 351.

In this case, the Court finds that Defendant's purposeful contacts with this state are sufficient to support the exercise of personal jurisdiction. In addition, after considering the factors referenced above, the Court further finds that the exercise of personal jurisdiction over the Defendant is not unreasonable or unfair. Accordingly,

IT IS ORDERED denying Defendant's Motion to Dismiss.

ALERT: eFiling through AZTurboCourt.gov is mandatory in civil cases for attorney-filed documents effective May 1, 2011. See Arizona Supreme Court Administrative Orders 2010-117 and 2011-010. The Court may impose sanctions against counsel to ensure compliance with this requirement after May 1, 2011.